

City Agencies

The Fiscal Year 2009 Annual Budget includes summary budget information as developed and reported by five City agencies: the Redevelopment Agency, Southeastern Economic Development Corporation (SEDC), Centre City Development Corporation (CCDC), San Diego Housing Commission (SDHC), and San Diego Data Processing Corporation (SDDPC).

The budgets for these agencies are approved by their respective governing boards.

Table 1 summarizes the Fiscal Year 2009 budgets for these City agencies.

TABLE 1 FISCAL YEAR 2009 BUDGET (IN MILLIONS)		
	Fiscal Year 2009 Budget	Positions
Redevelopment Agency	\$ 64.9	28.00
Southeastern Economic Development Corporation	\$ 18.2	17.00
Centre City Development Corporation	\$ 235.5	56.50
San Diego Housing Commission	\$ 265.0	243.50
San Diego Data Processing Corporation	\$ 46.5	258.00

Redevelopment Agency

Mission Statement

To improve the quality of life and ensure a healthy economy for all San Diegans through job development, business development, neighborhood revitalization, public improvements, redevelopment, social services, and revenue enhancement.

The Redevelopment Agency was created by the City Council in 1958 to alleviate blight in older urban areas. The Redevelopment Agency is able to use special legal and financial mechanisms to eliminate blight and to improve economic and physical conditions in designated areas of the City. This authority is conferred to the Agency through the State of California Health and Safety Code (Section 33000-et.seq.), also known as the California Community Redevelopment Law.

Although the Redevelopment Agency is a separate legal entity, the City Council serves as its legislative body. The Council President chairs the Agency, and the City Attorney serves as general counsel. The Redevelopment Division of the City Planning and Community Investment Department serves as staff to the Agency.

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City staff working on behalf of the Agency coordinate budget and reporting requirements, prepare the Redevelopment Agency Docket, and maintain the Agency's official records. Staff also coordinate the activities of the Agency's two public nonprofit corporations—Centre City Development Corporation (CCDC) and Southeastern Economic Development Corporation (SEDC).

The Redevelopment Agency manages 17 Redevelopment Project Areas and two Survey Areas, encompassing more than 11,759 acres. Of the 17 redevelopment areas, 11 are managed by the Redevelopment Division, with the other areas managed by CCDC and SEDC. The project areas managed by the Redevelopment Division are Barrio Logan, City Heights, College Community, College Grove, Crossroads, Grantville, Linda Vista, Naval Training Center (NTC), North Bay, North Park, and San Ysidro.

The Redevelopment Division administers six Project Area Committees that advise the Agency regarding plan adoption and project implementation activities.

The Fiscal Year 2009 Annual Redevelopment Division Budget is \$64.9 million. The tax increment to be generated in Fiscal Year 2009 in the City Redevelopment areas is estimated at \$45.9 million with an additional \$3.5 million of prior year tax increment. The Division recently secured a \$70.0 million three-year line of credit through San Diego National Bank. It is anticipated that this line of credit will be drawn upon to cover an estimated \$14.4 million of redevelopment project expenditures during Fiscal Year 2009. The balance of Fiscal Year 2009 revenues is generated through developer fees and through lease and property revenue.

As required by law, 20 percent of all tax increment revenue must be set aside to provide housing for low and moderate income households. For Fiscal Year 2009, new tax increment funds to be allocated for this purpose are expected to reach \$9.2 million. Additionally, a portion of the revenues received by the Agency are subject to sharing with other taxing agencies impacted by the formation of the project areas. For Fiscal Year 2009, new tax-sharing allocations amount to \$10.4 million. Other required expenditures include debt service payments for lines of credit, tax allocation bonds issued for the NTC, City Heights, North Bay and North Park project areas, and developer repayment obligations. These requirements total \$12.5 million of the funds to be received in Fiscal Year 2009.

TABLE 2.1 REDEVELOPMENT AGENCY BUDGET SUMMARY CITY REDEVELOPMENT PROJECT AREAS			
	FY 2008 Budget	FY 2009 Budget	FY 2008-2009 Change
Positions	28.00	28.00	-
Personnel Expense	\$ 3,028,799	\$ 3,010,987	\$ (17,812)
Non-Personnel Expense	\$ 83,921,201	\$ 61,853,380	\$ (22,067,821)
TOTAL	\$ 86,950,000	\$ 64,864,367	\$ (22,085,633)

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**TABLE 2.2
REDEVELOPMENT AGENCY EXPENDITURES
CITY REDEVELOPMENT PROJECT AREAS**

	FY 2008 Budget	FY 2009 Budget	FY 2008-2009 Change
PERSONNEL			
Salaries & Wages	\$ 2,009,699	\$ 1,997,042	\$ (12,657)
Fringe Benefits	\$ 1,019,100	\$ 1,013,945	\$ (5,155)
SUBTOTAL PERSONNEL	\$ 3,028,799	\$ 3,010,987	\$ (17,812)
NON-PERSONNEL			
Supplies & Services	\$ 564,569	\$ 200,238	\$ (364,331)
Information Technologies	\$ 56,384	\$ 114,138	\$ 57,754
Energy/Utilities	\$ 11,186	\$ 12,695	\$ 1,509
Equipment Outlay	\$ 758	\$ 558	\$ (200)
Capital Projects	\$ 25,210,000	\$ 26,720,826	\$ 1,510,826
Low/Mod Housing	\$ 30,796,000	\$ 10,143,565	\$ (20,652,435)
Project Area Admin/Legal/Planning	\$ 3,960,304	\$ 1,699,087	\$ (2,261,217)
Debt Service	\$ 13,404,000	\$ 12,544,598	\$ (859,402)
Taxing Agencies	\$ 9,918,000	\$ 10,417,675	\$ 499,675
SUBTOTAL NON-PERSONNEL	\$ 83,921,201	\$ 61,853,380	\$ (22,067,821)
TOTAL	\$ 86,950,000	\$ 64,864,367	\$ (22,085,633)

**TABLE 2.3
REDEVELOPMENT AGENCY REIMBURSEMENTS**

	FY 2008 Budget Reimbursements	FY 2009 Budget Reimbursements	FY 2008-2009 Change
DEPARTMENTS:			
Redevelopment Division	\$ 3,661,696	\$ 3,338,616	\$ (323,080)
City of San Diego – Tax Sharing Payments	\$ 1,059,797	\$ 1,188,989	\$ 129,192
Zoological Exhibits – Tax Sharing Payments	\$ 24,230	\$ 28,243	\$ 4,013
TOTAL	\$ 4,745,723	\$ 4,555,847	\$ (189,876)

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Southeastern Economic Development Corporation

Mission Statement

To balance public investment and careful planning with a commitment to stimulate development designed to increase services, housing, and employment opportunities which will ultimately improve the quality of life for the residents of Southeastern San Diego.

Southeastern Economic Development Corporation (SEDC) is a public benefit, non-profit corporation responsible for all redevelopment activities within a seven-square-mile area immediately east of downtown San Diego. SEDC has a nine member board of Directors appointed by the Mayor and the City Council, and a professional staff of 17 employees. Established in 1981 by the City, SEDC is responsible for an area bound by the Martin L. King, Jr. freeway (State Route 94) to the north, Interstate 5 to the south and west, and 69th Street to the east. SEDC's sphere of influence covers 15 neighborhoods, consisting of four redevelopment projects areas: Central Imperial, Gateway Center West, Mount Hope and Southcrest, and the Dells Imperial Study Area.

SEDC's corporate strategy integrates the best of redevelopment and economic development. It is a strategy that has resulted in an increase of the annual tax increment of 29 percent over the past decade, as well as completion of several projects that have met or exceeded the goals of redevelopment and are of great benefit to the southeastern community.

The Fiscal Year 2009 Annual Budget for SEDC is \$18.2 million and is comprised of five components: Administration, Capital Projects, Low and Moderate Income Housing, Economic Development, and Long-Term Debt. A loan payment to the City/Agency in the amount of \$400,000 from the Southcrest Redevelopment Project Area will be re-loaned to augment pre-adoption/implementation costs for the Dells Imperial Study Area as well as the planning activities for Gateway Center West (\$400,000, Fund 10027-Contribution to RDA). The source of the loan payment is Fiscal Year 2007 tax allocation taxable bond proceeds.

On May 20, 2008, the Board of the Redevelopment Agency of the City of San Diego approved the Fiscal Year 2009 Redevelopment Agency budget for the projects administered by SEDC, with the exception of the acceptance of the transfer of an \$815,000 interest-bearing Capital Outlay Fund loan from the City, which had been planned for the acquisition of properties in the Central Imperial Redevelopment Project Area.

Economic development activities undertaken by SEDC complement the redevelopment activities that have occurred already throughout SEDC's jurisdiction. The economic activities include but are not limited to, support to the Diamond Business Improvement District, oversight of the Agency's Employment and Training requirements for developers, The Entrepreneur Academy, technical assistance for small businesses, a commercial rehabilitation program, a water conservation campaign, and various housing-related workshops.

**TABLE 3.1
SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION
BUDGET SUMMARY**

	FY 2008 Budget	FY 2009 Proposed Budget	FY 2008-2009 Change
Positions	14.50	17.00	2.50
Personnel Expense	\$ 1,675,000	\$ 1,750,700	\$ 75,700
Non-Personnel Expense	\$ 30,785,000	\$ 16,487,300	\$ (14,297,700)
TOTAL	\$ 32,460,000	\$ 18,238,000	\$ (14,222,000)

**TABLE 3.2
SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION EXPENDITURES**

	FY 2008 Budget	FY 2009 Budget	FY 2008-2009 Change
PERSONNEL			
Salaries & Wages	\$ 1,307,000	\$ 1,335,700	\$ 28,700
Fringe Benefits	\$ 368,000	\$ 415,000	\$ 47,000
SUBTOTAL PERSONNEL	\$ 1,675,000	\$ 1,750,700	\$ 75,700
NON-PERSONNEL			
Supplies & Services	\$ 783,200	\$ 843,300	\$ 60,100
Information Technologies	\$ 57,000	\$ 58,000	\$ 1,000
Energy/Utilities	\$ 33,600	\$ 34,100	\$ 500
Other Government & Administrative Expenses	\$ 27,900	\$ 30,800	\$ 2,900
Project Costs	\$ 23,253,300	\$ 11,274,100	\$ (11,979,200)
Debt Service Appropriation	\$ 6,630,000	\$ 4,247,000	\$ (2,383,000)
SUBTOTAL NON-PERSONNEL	\$ 30,785,000	\$ 16,487,300	\$ (14,297,700)
TOTAL	\$ 32,460,000	\$ 18,238,000	\$ (14,222,000)

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**TABLE 3.3
SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION
SIGNIFICANT BUDGET ADJUSTMENTS**

Significant Budget Adjustments	Position	Expenses
Salaries and Benefits Adjustments	2.50	\$ 75,700
This adjustment is due to the addition of 1.00 Project Manager, 1.00 Assistant Project Manager, 1.00 Research Coordinator, and 1.00 Administrative Secretary, as well as the reduction of 0.50 Communications Coordinator, and 1.00 Messenger Clerk.		
Non-Personnel Changes	-	\$ (14,297,700)
Adjustment reflects the amount of the \$24.2 million 2007 Tax Allocation Net Bond proceeds budgeted in Fiscal Year 2008, that was used to fund projects in that fiscal year and therefore will not carry over into subsequent years.		
TOTAL	2.50	\$ (14,222,000)

**TABLE 3.4
SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION REIMBURSEMENTS**

	FY 2008 Budget Reimbursements	FY 2009 Budget Reimbursements	FY 2008-2009 Change
Departments:			
City Attorney	\$ 52,000	\$ 45,500	\$ (6,500)
City Comptroller	\$ 100,100	\$ 100,100	\$ -
City Planning and Community Investments	\$ 83,200	\$ 78,000	\$ (5,200)
Arbitrage	\$ 19,500	\$ 12,000	\$ (7,500)
Redevelopment Agency Audit Fees	\$ 75,000	\$ 75,000	\$ -
Single Audit Fees	\$ 25,000	\$ 25,000	\$ -
Sales Tax Consultant	\$ 2,500	\$ 2,500	\$ -
Financial Management	\$ 1,000	\$ 1,000	\$ -
General Govt. Services	\$ 66,300	\$ 66,300	\$ -
City Treasurer	\$ 30,000	\$ 30,000	\$ -
General Liabilities Insurance	\$ 70,000	\$ 95,000	\$ 25,000
Maintenance (street light/storage)	\$ 1,200	\$ 1,200	\$ -
Neighborhood Code Compliance	\$ 100,000	\$ 132,000	\$ 32,000
TOTAL	\$ 625,800	\$ 663,600	\$ 37,800

Centre City Development Corporation

Mission Statement

To create a 24-hour livable community in Downtown San Diego by eliminating blight, providing housing, and stimulating the economy with the creation of jobs through public and private development.

Centre City Development Corporation (CCDC) was created by the City of San Diego as an independent non-profit corporation in 1975 in order to plan, implement, and direct the redevelopment of San Diego's urban core. CCDC oversees the redevelopment of approximately 1,450 acres, an area that includes Centre City and Horton Plaza Redevelopment Project Areas.

The Fiscal Year 2009 Annual Budget was presented to the Centre City Advisory Committee on March 19, 2008, to the CCDC Board on March 26, 2008, and to the Redevelopment Agency on May 20, 2008.

The Fiscal Year 2009 Annual Budget consists of three components: project activities inclusive of the use of low and moderate income housing funds, long-term debt, and CCDC's administrative budget, totaling \$235.5 million, funded primarily from tax increments, proceeds from tax allocation bonds, and the issuance of parking bonds. The Annual Budget contains a total of \$128.9 million for projects, \$27.4 million for affordable housing, \$50.6 million for debt service including City repayments, and \$28.6 million for payment to tax sharing entities, CCDC administration, and City services.

CCDC has a seven member Board of Directors appointed by City Council to manage the Corporation and its professional staff.

TABLE 4.1 CENTRE CITY DEVELOPMENT CORPORATION BUDGET SUMMARY			
	FY 2008 Budget	FY 2009 Budget	FY 2008-2009 Change
Positions	55.20	56.50	1.30
Personnel Expense	\$ 6,834,500	\$ 7,178,000	\$ 343,500
Non-Personnel Expense	\$ 210,701,500	\$ 228,322,000	\$ 17,620,500
TOTAL	\$ 217,536,000	\$ 235,500,000	\$ 17,964,000

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**TABLE 4.2
CENTRE CITY DEVELOPMENT CORPORATION EXPENDITURES**

	FY 2008 Budget	FY 2009 Budget	FY 2008-2009 Change
PERSONNEL			
Salaries & Wages	\$ 4,747,500	\$ 4,960,000	\$ 212,500
Fringe Benefits	\$ 2,087,000	\$ 2,218,000	\$ 131,000
SUBTOTAL PERSONNEL	\$ 6,834,500	\$ 7,178,000	\$ 343,500
NON-PERSONNEL			
Other Government & Administrative Expenses	\$ 2,521,500	\$ 2,698,500	\$ 177,000
Project Budgets	\$ 171,559,000	\$ 174,999,500	\$ 3,440,500
Debt Service Appropriation	\$ 36,621,000	\$ 50,624,000	\$ 14,003,000
SUBTOTAL NON-PERSONNEL	\$ 210,701,500	\$ 228,322,000	\$ 17,620,500
TOTAL	\$ 217,536,000	\$ 235,500,000	\$ 17,964,000

**TABLE 4.3
CENTRE CITY DEVELOPMENT CORPORATION
SIGNIFICANT BUDGET ADJUSTMENTS**

Significant Budget Adjustments	Position	Expenses
Salaries and Benefits Adjustments	1.30	\$ 343,500
This adjustment reflects the addition of 1.30 FTE positions and the reclassification of one FTE position: addition of 1.00 Administrative Assistant and 0.30 Graphics Designer, and a reclassification of an existing position to a GIS/Web Specialist.		
General and Administrative Expenditures	-	\$ 177,000
The overall amount for general and administrative expenses increased primarily from increases in rent expense, leasehold improvements, computer programs, and Communication Materials/Events.		
Project Budgets	-	\$ 3,440,500
Increase in the appropriations to provide for the acquisition and construction of fire stations and a provision for a public parking facility in the East Village.		
Increase in Debt Service	-	\$ 14,003,000
Provision for the 2008 Tax Allocation Housing Bonds and City Repayments.		
TOTAL	1.30	\$ 17,964,000

**TABLE 4.4
CENTRE CITY DEVELOPMENT CORPORATION REIMBURSEMENTS**

	FY 2008 Budget Reimbursements	FY 2009 Budget Reimbursements	FY 2008-2009 Change
Departments			
Neighborhood Code Compliance	\$ 220,000	\$ 301,000	\$ 81,000
City Comptroller	\$ 260,000	\$ 270,000	\$ 10,000
City Attorney	\$ 260,000	\$ 250,000	\$ (10,000)
City Treasurer	\$ 220,000	\$ 290,000	\$ 70,000
City Planning and Community Investments	\$ 125,000	\$ 40,000	\$ (85,000)
City Redevelopment Dept.	\$ 120,000	\$ 120,000	\$ -
Homeless Coordinator	\$ 60,000	\$ 60,000	\$ -
Purchasing - EEO	\$ 15,000	\$ 15,000	\$ -
General Govt. Services*	\$ 170,000	\$ 300,000	\$ 130,000
Downtown Econ. Dev. Spec.	\$ 150,000	\$ 150,000	\$ -
Other/Misc./Contingency	\$ 100,000	\$ 104,000	\$ 4,000
TOTAL	\$ 1,700,000	\$ 1,900,000	\$ 200,000

*The increase in the amount of General Government Services has not been finalized. This number represents preliminary estimates.

San Diego Housing Commission

Mission Statement

To provide quality housing opportunities in order to improve the lives of those in need.

The San Diego Housing Commission (SDHC) is a public agency working to expand affordable housing opportunities in the City of San Diego. Each year the agency helps more than 80,000 lower-income individuals to access affordable housing through its award-winning programs. SDHC's programs benefit the City's economy and revitalize its neighborhoods through three major areas of work: housing assistance, housing finance partnerships, and housing policy advice.

The agency's housing assistance programs provide a variety of services that includes helping more than 13,780 families pay rent in private housing, owning and managing nearly 1,800 apartments, and providing residents with academic support and career development tools. SDHC's housing finance partnerships have helped nonprofit and for-profit developers create nearly 25,000 for-sale and rental homes, of which 12,000 are deemed affordable. Agency programs have also enabled 4,300 families to buy their first homes and 10,000 to repair older homes. Finally, the agency helps to shape the City's affordable housing programs by providing policy advice to the San Diego City Council as well as initiating, monitoring, or implementing municipal ordinances that advance affordable housing production and protect existing stock. Examples of municipal ordinances worked on by SDHC include inclusionary zoning, density bonus, single room occupancy preservation, and condo conversion protections.

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The Fiscal Year 2009 Annual Activity-Based Budget will enable the Agency to: assist 13,780 households to rent private housing, subsidize approximately 80 first-time homebuyers, produce 720 additional rental units, oversee physical improvements to 1,556 homes and apartments, manage 1,800 units of Housing Commission-owned housing, and provide special purpose housing opportunities for 640 persons.

The Fiscal Year 2009 Annual Budget for SDHC was approved by the Housing Authority on June 10, 2008.

TABLE 5.1 SAN DIEGO HOUSING COMMISSION BUDGET SUMMARY			
	FY 2008 Budget	FY 2009 Budget	FY 2008-2009 Change
Positions	238.00	243.50	5.50
Personnel Expense	\$ 17,835,859	\$ 18,686,970	\$ 848,111
Non-Personnel Expense	\$ 255,076,380	\$ 246,345,378	\$ (8,731,002)
TOTAL	\$ 272,915,239	\$ 265,032,348	\$ (7,882,891)

TABLE 5.2 SAN DIEGO HOUSING COMMISSION EXPENDITURES			
	FY 2008 Budget	FY 2009 Budget	FY 2008-2009 Change
PERSONNEL			
Salaries & Wages	\$ 13,199,014	\$ 13,804,510	\$ 605,496
Fringe Benefits	\$ 4,639,845	\$ 4,882,460	\$ 242,615
SUBTOTAL PERSONNEL	\$ 17,838,859	\$ 18,686,970	\$ 848,111
NON-PERSONNEL			
Supplies & Services	\$ 7,763,276	\$ 6,786,205	\$ (977,071)
Information Technologies	\$ 1,561,425	\$ 1,741,399	\$ 179,974
Energy/Utilities	\$ 1,977,635	\$ 2,014,887	\$ 37,252
Housing Programs	\$ 215,410,382	\$ 200,408,249	\$ (15,002,133)
Office & Dwelling Equipment	\$ 419,294	\$ 406,232	\$ (13,062)
Reserves	\$ 27,944,368	\$ 34,988,406	\$ 7,044,038
SUBTOTAL NON-PERSONNEL	\$ 255,076,380	\$ 246,345,378	\$ (8,731,002)
TOTAL	\$ 272,915,239	\$ 265,032,348	\$ (7,882,891)

**TABLE 5.3
SAN DIEGO HOUSING COMMISSION
SIGNIFICANT BUDGET ADJUSTMENTS**

Significant Budget Adjustments	Position	Expenses
Salaries and Benefits Adjustments	5.50	\$ 848,111
Expenditure Description: The \$848,111 or 5 percent increase in salaries and benefits is primarily the result of: the addition of net 5.50 positions, 7.00 additions offset by 1.50 deletions; anticipated employee movement along the seven step merit pay plan in Fiscal Year 2009; change in benefits based on a percentage of salary and the approved increase in the flex credit plan; reclassification of 14.00 positions; and a decrease in contingency and vacancy from Fiscal Year 2008 to Fiscal Year 2009.		
Non-Personnel Changes	-	\$ (8,731,002)
Expenditure Description: The change in non-personnel is the result of an \$803,267 reduction in services and supplies primarily due to the elimination of the public housing management fees in Fiscal Year 2009; a \$15.0 million reduction in housing programs due to the obligation or expenditure of loans and grants, site acquisition and capital improvements in Fiscal Year 2008 as well as the expectation of lower fees and new awards in Fiscal Year 2009; and an increase of \$7.0 million in reserves primarily due to the additional income from the operation of SDHC Local Units.		
TOTAL	5.50	\$ (7,882,891)

San Diego Data Processing Corporation

Mission Statement

To support, improve, build, and maintain client's information technology needs through an open and honest partnership.

San Diego Data Processing Corporation (SDDPC) was formed in 1979 by the City of San Diego to realize the benefit of privatizing its information technology (IT) functions. SDDPC continues to provide those benefits, while also supporting the City with professional quality IT services.

SDDPC is at the forefront of providing IT and telecommunications services to the departments of the City of San Diego, as well as other municipal and nonprofit organizations. SDDPC provides state-of-the-art hardware, software, and networks to give our customers immediate access to the information they need. These programs and services have been nationally recognized for innovation and efficiency.

The Fiscal Year 2009 Annual Budget for SDDPC was developed based on the Fiscal Year 2009 proposed IT budgets of City departments and other (non-City) customers. SDDPC has its own Board of Directors, appointed by the Mayor, and the Fiscal Year 2009 Annual Budget was approved by the SDDPC Board of Directors on March 27, 2008.

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SDDPC has been acknowledged by the Gartner Group, an independent analyst of IT customer service, as an industry leader and trendsetter in customer satisfaction throughout the country. This level of achievement puts SDDPC in the top 10 percent of IT providers in the United States. Areas that were reviewed included support responsiveness, availability and expertise, system performance, functionality and quality, cost, and impact of IT services and support.

As a partner of the City, SDDPC is committed to delivering quality, efficient, and cost-effective IT services so that the residents of San Diego receive quality public safety, library, parks and recreation, and related services that depend on the performance of IT services.

TABLE 6.1 SAN DIEGO DATA PROCESSING CORPORATION BUDGET SUMMARY			
	FY 2008 Budget	FY 2009 Budget	FY 2008-2009 Change
Positions	249.00	258.00	9.00
Personnel Expense	\$ 25,429,000	\$ 26,799,000	\$ 1,370,000
Non-Personnel Expense	\$ 20,335,000	\$ 19,739,000	\$ (596,000)
TOTAL	\$ 45,764,000	\$ 46,538,000	\$ 774,000

TABLE 6.2 SAN DIEGO DATA PROCESSING CORPORATION EXPENDITURES			
	FY 2008 Budget	FY 2009 Budget	FY 2008-2009 Change
PERSONNEL			
Salaries & Wages	\$ 19,143,000	\$ 20,233,000	\$ 1,090,000
Fringe Benefits	\$ 6,286,000	\$ 6,566,000	\$ 280,000
SUBTOTAL PERSONNEL	\$ 25,429,000	\$ 26,799,000	\$ 1,370,000
NON-PERSONNEL			
Supplies & Services	\$ 3,994,000	\$ 3,031,000	\$ (963,000)
Information Technologies	\$ 5,249,000	\$ 4,897,000	\$ (352,000)
Energy/Utilities	\$ 456,000	\$ 479,000	\$ 23,000
Equipment Outlay	\$ 10,636,000	\$ 11,332,000	\$ 696,000
SUBTOTAL NON-PERSONNEL	\$ 20,335,000	\$ 19,739,000	\$ (596,000)
TOTAL	\$ 45,764,000	\$ 46,538,000	\$ 774,000

**TABLE 6.3
SAN DIEGO DATA PROCESSING CORPORATION
SIGNIFICANT BUDGET ADJUSTMENTS***

Significant Budget Adjustments	Position	Expenses
Salaries and Benefits Adjustments	9.00	\$ 1,370,000
This increase is due to higher base salaries for replacement staff, as well as rising health care premiums.		
Depreciation Expense		
Adjustment reflects a reduction in planned capital additions for Fiscal Year 2009.	-	\$ (187,000)
Data Network and Telecommunications Expense		
Adjustment is primarily the result of lower costs for Data Circuits and Lines.	-	\$ (353,000)
Facilities Expense		
Adjustment is primarily due to a reduction in the cost of premiums for Property and Equipment Insurance.	-	\$ (187,000)
Professional Services		
Adjustment is primarily the result of lower consulting and temporary service fees.	-	\$ (783,000)
Equipment		
Adjustment is primarily the result of increased equipment/maintenance costs associated with Data Center Operations and Network Security.	-	\$ 659,000
Software		
Adjustment is primarily the result of increased software maintenance costs associated with Security Requirements for the Data Network.	-	\$ 225,000
Other Expenses		
Adjustment is primarily the result of higher mileage and operating supplies expenses.	-	\$ 30,000
TOTAL	9.00	\$ 774,000

* The Fiscal Year 2009 Annual Budget reflects SDDPC operating at a deficit of \$987,000 for the year. In response, SDDPC will utilize Fiscal Year 2008 net revenues versus expenses as the funding source. In addition, the OneSD Project expense of \$1.7 million in Fiscal Year 2009 will be funded from net revenues generated in Fiscal Year 2006.

